



Public Protection Cabinet

Strategic Plan

Ray A. Perry, Secretary



A Message From The Secretary



The Public Protection Cabinet (PPC) is one of the most multi-faceted arms of government in the Commonwealth of Kentucky. We take seriously our mission to keep the public safe; and our various agencies work hard to protect the lives and interests of Kentuckians. Citizens can rest assured that whether at home, on the job, in their financial dealings, or enjoying leisure time, PPC is working for them.

Our strategic plan is aimed at bringing Kentucky businesses, workers and industries into a safer, more effective future. That includes implementing efficiencies, adapting to the ever-changing regulatory environment, clearing the way for economic development and tackling the challenges presented by the COVID-19 pandemic.

As Secretary, it is my honor to lead our outstanding team of more than 600 employees in implementing this plan; while partnering with our counterparts in government to build a Better Kentucky.

A handwritten signature in black ink that reads "Ray A. Perry". The signature is written in a cursive, flowing style.

Ray A. Perry

Secretary, Public Protection Cabinet

STRATEGIC PLAN & GOVERNOR'S PRIORITIES OVERVIEW

The many agencies within the Public Protection Cabinet (PPC) are diligently working to execute the following strategic plan while supporting the Beshear Administration's priorities. This includes the Better Kentucky Plan, which is boosting the state's economy by building new schools, delivering clean drinking water and expanding access to broadband.

The Public Protection Cabinet includes the following agencies:

- The Department of Alcoholic Beverage Control
- The Department of Charitable Gaming
- The Department of Housing, Buildings and Construction
- The State Fire Marshal
- The Department of Financial Institutions
- The Department of Insurance
- The Kentucky Boxing and Wrestling Commission
- The Kentucky Horse Racing Commission
- The Department of Professional Licensing
- The Office of Claims and Appeals
- The Kentucky Real Estate Authority

The PPC's strategic plan is aimed at supporting economic development, tackling the healthcare challenges related to the COVID-19 pandemic and beyond. We also pride ourselves in providing excellent customer service to the industries we regulate. Our agency is working every day to support and implement the Governor's priorities related to wages, healthcare, education and the Better Kentucky Plan. Below are a few examples.

Wages

Governor Beshear is focused on increasing economic opportunity for all Kentucky families, creating good-paying jobs across the Commonwealth. The Department of Housing, Buildings and Construction plays an important role in economic development, particularly the construction of new factories, facilities and buildings. Our plan is to add staff, improve efficiency and work closely with industries to ensure regulations help to keep Kentuckians safe, while keeping the economy moving.

Healthcare

Governor Beshear believes health care is a basic human right, and that every Kentucky family deserves to see a doctor and receive treatment when they are sick. In his first week in office, Gov. Beshear followed through on his promise to rescind the Medicaid waiver that would have kicked nearly 100,000 Kentuckians off their coverage. The Department of Insurance is working hard to support his goals to expand Medicaid, make changes to KCHIP and lower the cost of prescription drugs like insulin.

Education/Better Kentucky Plan

The PPC is working hand-in-hand with The School Facilities Construction Commission to distribute millions of dollars for the renovation of existing schools Career and Technical Education Centers around the state. These projects could generate as many as 1,000 jobs and provide students with state-of-the-art learning facilities.

The PPC is committed to keeping Kentuckians safe in business, leisure and daily life. The following strategic plan furthers our priorities to ensure the safe and fair operation of some of the most important institutions in the Commonwealth. From sporting events, to building and banking, our diverse agencies share a common goal—providing the best service to every citizen and business in the state.

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Office of the Secretary/Office of Legal Services

Section VI. Situation Analysis/Environmental Analysis

The Office of the Secretary (OOS) provides leadership, management, and direction to constituent agencies of the Public Protection Cabinet (PPC) to ensure the delivery of services is conducted in a consistent, ethical, and coordinated manner. OOS coordinates activities among the agencies organized under the PPC to provide the most efficient delivery of services to the citizens of the Commonwealth.

The Office of Legal Services (OLS) provides high-quality legal advice and representation to agencies within the PPC. Its principal function is litigation, in the administrative forum and in the state and federal courts. In addition, OLS provides legal review of all memoranda of agreement and memoranda of understanding where PPC agencies are responsible parties, and drafts specialized legal documents needed to carry out the PPC's mission. OLS also provides counsel on personnel matters and claims arising from the performance of PPC duties, as well as limited other legal services for other Cabinets as needed. OLS also oversees all regulation review and revision consistent with regulatory reform.

Section VII. Measurable Goals, Objectives, & Key Performance Indicators

Goal 1: To improve the quality of regulations across PPC departments.

Objective 1.1: To assist PPC departments in the promulgation and/or amendment of regulations as set forth in each department's Regulation Review Project submissions.

Performance Indicators:

Output: 100% of the regulations identified by departments in their regulation review project submissions, which are deemed appropriate for action by the team, are promulgated or amended by end of 2022.

Outcome: Department regulations improved in terms of clarity and consistency with the way enforcement is taking place. Cabinet regulations are up-to-date, and, while follow-up surveys of departments should occur, the immediate outcome should be that departments cannot identify further necessary amendments to their regulations at this juncture.

Strategy 1.1.1: Create a team to assist department General Counsel staff with promulgation process.

Action Plan:

Task/Activity

1. Communicate with department heads regarding the tier ranking of their regulation review project submissions.

By When: end of September 2021

Person/Team Responsible: Team

2. Tier ranking (three tiers) of regulation review project submissions. **By When:** mid-October 2021

Person/Team Responsible: Commissioners/Executive Directors

3. Review tier ranking submissions.

By When: end of October 2021

Person/Team Responsible: Team

4. Establish timelines for promulgation/amendment for each tier.

By When: mid-November 2021

Person/Team Responsible: Team & Commissioner/Executive Directors

5. Communicate with Governor's Office regarding Timeline and Proposed Promulgation/Amendments. **By**

When: mid-November 2021

Person/Team Responsible: Team

6. Begin First Round of Promulgation/Amendment of Regulations.

By When: likely beginning of December 2021

Person/Team Responsible: Team & Departmental GCs/Senior Attorneys

7. Second and Third Rounds of Promulgation/Amendment of Regulations.

By When: TBD (but likely spring 2022 and fall 2022)

Person/Team Responsible: Team & Departmental GCs/Senior Attorneys

Goal 2: To improve cooperation and efficiencies among PPC-OLS departments.

Objective 2.1: Where feasible, to create processes and procedures within OLS that are consistent across all departments.

Performance Indicators:

Output: New policies and procedures applicable to all PPC-OLS departments are adopted in areas where standardization is appropriate and increases efficiency.

Outcome: PPC-OLS departments can more efficiently draw on one another's experience and expertise. Follow-up survey of department GCs/Senior Attorneys should reveal more consistency across departments.

Strategy 2.1.1: Create team to identify areas in which uniform practices and procedures would be beneficial – i.e., open records and meetings procedures, creation of brief bank, litigation file maintenance, records custody, and retention.

Action Plan:

Task/Activity

1. Survey PPC-OLS departments to determine what practices and processes are already in place in areas with applicability across all departments.

By When: end of January 2022

Person/Team Responsible: Team & Department GCs/Senior Attorneys

2. Compare results from survey to identify differences and similarities across PPC-OLS departments.

By When: end of February 2022

Person/Team Responsible: Team

3. Discuss findings with Departments GCs/Senior Attorneys to determine best practices in areas where standardization would be beneficial.

By When: end of March 2022

Person/Team Responsible: Team

4. Draft proposed Cabinet-wide policies and procedures establishing standard practices in identified areas for circulation and input.

By When: end of April 2022

Person/Team Responsible: Team & Department GCs/Senior Attorneys

5. Revise draft policies and procedures in response to feedback provided. **By When:** end of May 2022

Person/Team Responsible: Team

6. Communicate policies and procedures and implement training plan. **By When:** end of June 2022

Person/Team Responsible: Team

Kentucky Boxing and Wrestling Commission

Section VI. Situation Analysis/Environmental Analysis

Historically, the Kentucky Boxing and Wrestling Commission has always supported and regulated all Kentucky combat sports. We currently work to ensure that all boxing matches, wrestling bouts, and mixed martial arts competitions in Kentucky are safe, competitive, and entertaining by licensing all contestants, officials, trainers, and promoters. The KBWC hopes to make Kentucky a premier destination for up-and-coming combat sport athletes. We want the road to the WWE, UFC, Showtime/HBO Boxing, and other premier combat sports leagues to run through Kentucky.

Section VII. Measurable Goals, Objectives, & Key Performance Indicators

Goal 1: Support the Governor’s priority of wages.

Objective 1.1: Increase the number of combat sports by 20%.

Performance Indicators:

Output: Increase the number of combat sports events in Kentucky from 2021 to 2022.

Outcome: Higher wages for combat sports participants and wages for new hires at KBWC related to the increase in events.

Strategy 1.1.1: Generate more buzz about combat sporting events in Kentucky.

Action Plan:

Task/Activity

1. Hire more part-time inspectors. Currently limited to two (2) which restricts the number of events that can be held.

By When: November 2021

Person/Team Responsible: Executive Director, KBWC

2. Increase KBWC social media presence. Require promoters to increase social media presence to promote bouts.

By When: January 2022

Person/Team Responsible: Executive Director, KBWC

Goal 2: Support the Governor’s priority of education.

Objective 2.1: Educate combat sport athletes about self-promotion and health issues.

Performance Indicators:

Output: Combat sport athletes become their own businesses. Combat sport athletes also keep themselves safer during bouts.

Outcome: Increase in attendance at combat sports events, leads to an increase in revenue. Increase interest in the combat sport events due to less injuries.

Strategy 2.1.1: Teach combat sport athletes how to form an LLC, write off expenses, and how to promote themselves on social media.

Action Plan:

Task/Activity

1. Develop a training video that demonstrates to combat athletes how to form their own LLC and write off their expenses.

By When: January 2022

Person/Team Responsible: Executive Director, KBWC

2. Develop a training video that demonstrates to combat athletes how to promote themselves on various forms of social media (do's and don'ts).

By When: January 2022

Person/Team Responsible: Executive Director, KBWC

Strategy 2.1.2: Educate combat sport athletes about their health and safety.

Action Plan:

Task/Activity

1. Develop a training video that explains CTE and head injuries.

By When: March 2022

Person/Team Responsible: Executive Director, KBWC

2. Develop a training video about safely "cutting weight".

By When: April 2022

Person/Team Responsible: Executive Director, KBWC

Goal 3: Support the Governor's priority of example.

Objective 3.1: Make Kentucky an example by making licenses reciprocal with states who have the same or similar requirements in Kentucky.

Performance Indicators:

Output: Save licensees the trouble and cost of redundant physicals, especially those in neighboring states.

Outcome: Increased licensees from 2021 to 2022.

Strategy 3.1.1: Work with other states and compare physical requirements.

Action Plan:

Task/Activity

1. Adapt statutes and regulations to support this change.

By When: Early 2023

Person/Team Responsible: Executive Director, KBWC

Objective 3.2: Allow physician assistants/nurse practitioners to perform physicals and be ringside medical professionals.

Performance Indicators:

Output: Easier to schedule more combat sporting events.

Outcome: Increased bouts and therefore licensees from 2021 to 2022.

Strategy 3.2.1: Work with legal team and legislators to update statutes and regulations.

Action Plan:

Task/Activity

1. Compare Kentucky’s legislation regarding physicals and ringside medical requirements. Find appropriate language to update Kentucky laws and regulations.

By When: Early 2023

Person/Team Responsible: Executive Director, KBWC

Section VIII. Strategic Plan Progress Report on Goals & Objectives Operable in the Last Year

Goal 1, Objective 1.2, Tactic 1.2.1: The Kentucky Boxing and Wrestling Commission will amend regulatory definitions of a “ground fighter” to comply with national standards, and to promote greater health and safety within the sport.

Though not yet accomplished, KBWC continues to work with our legal representation to amend these regulatory definitions.

Goal 4, Objective 4.1, Tactic 4.1.1: The Kentucky Boxing and Wrestling Commission will work with the Office of Communications and Public Outreach to transition all relevant data to the new website template.

This goal has been completed and adjusted. KBWC is working with DOI’s IT developers to create an online portal system for fighters, wrestlers, and promoters. This transition should be completed by spring of 2022.

Office of Claims and Appeals

Section VI. Situation Analysis/Environmental Analysis

The Office of Claims and Appeals (previously the Kentucky Claims Commission) is an agency operating under the authority of KRS Chapter 49. It consists of three boards: The Crime Victim Compensation Board, the Board of Tax Appeals, and the Board of Claims. During the 2021 Regular Session, the General Assembly abolished the Kentucky Claims Commission and reorganized the three above-referenced boards within the Office of Claims and Appeals under KRS Chapter 49. Each board now has three members with some degree of relevant subject matter expertise. The Office of Claims and Appeals conducts a fair review of all claims and works to resolve these claims in a timely and efficient manner. It has reduced the claim processing time significantly from start to finish and anticipate being more diligent in its processing time in the future. The creation of the three separate boards will assist in reducing claim processing times.

Section VII. Measurable Goals, Objectives & Key Performance Indicators

Goal 1: To increase public education and awareness regarding the availability of victim compensation programs through the Crime Victims Compensation Board.

Objective 1.1: To implement a public education program to educate the public, demographics most effected by crime, and organizations involved with crime victims regarding the programs and compensation available through the Crime Victims Compensation Board.

Performance Indicators:

Output: All identified organizations and target demographics have been contacted and, if interested, provided educational seminars by the end of 2023.

Outcome: 25% increase in compensation claims to Crime Victims Compensation Board by the end of 2023.

Strategy 1.1.1: Create a team to develop educational seminars regarding the programs available under CVCB and the criteria for obtaining compensation and identify demographics and organizations in need of such education.

Action Plan:

Task/Activity

1. Develop list of demographics, organizations, and stakeholders within the Commonwealth of Kentucky most likely to include or interact with crime and sexual assault victims.

By When: December 2021

Person/Team Responsible: Jennifer Barrie, Ray Shields, Caleb Hubbard, Stephanie Vandever, and Cathy Greene

2. Develop education programs/seminars to effectively communicate victim compensation programs available through CVCB, the criteria for receiving compensation under them, and the process to file a claim.

By When: May 2022

Person/Team Responsible: Ray Shields, Caleb Hubbard, Stephanie Vandever, and Cathy Greene

3. Review the proposed educational programs.

By When: July 2022

Person/Team Responsible: John Hardesty and Jennifer Barrie

4. Revise if necessary. **By**

When: August 2022

Person/Team Responsible: Ray Shields, Caleb Hubbard, Stephanie Vandever, and Cathy Greene

5. Establish outreach procedures and informational packets to ensure maximum participation and attendance by identified organizations and demographics.

By When: September 2022

Person/Team Responsible: Jennifer Barrie, Ray Shields, Caleb Hubbard, Stephanie Vandever, and Cathy Greene; PPC's Office of Communications and Outreach

6. Begin to conduct educational programs/seminars. **By When:** November 2022

Person/Team Responsible: Ray Shields, Caleb Hubbard, Stephanie Vandever, and Cathy Greene

Goal 2: To increase claims processing efficiency.

Objective 2.1: To implement an efficient procedure for processing claims for the Board of Claims, Board of Tax Appeals, and Crime Victims Compensation Board from receipt of the claim to closure or final order.

Performance Indicators:

Output: All boards have implemented a formal claims processing procedure by the end of 2022.

Outcome: 25% reduction in claims processing time for each board by the end of 2022.

Strategy 2.1.1: Create a team for each board to assess current claim processing times and propose strategies and changes to reduce the time to close a claim.

Action Plan:

Task/Activity

1. Develop process for each board to evaluate historical claims processing times.

By When: December 2021

Person/Team Responsible: Jennifer Barrie (all boards); Shelby Bevins-Sullivan (all boards); Ray Shields, Caleb Hubbard, Stephanie Vandever, and Cathy Greene (CVCB); Katie Dean (BOC); Anne Duvall, Eden Stephens, and Jim Howard (BTA)

2. Evaluate historical claims processing times.

By When: February 2022

Person/Team Responsible: Jennifer Barrie (all boards); Shelby Bevins-Sullivan (all boards); Ray Shields, Caleb Hubbard, Stephanie Vandever, and Cathy Greene (CVCB); Katie Dean (BOC); Anne Duvall, Eden Stephens, and Jim Howard (BTA)

3. Develop and recommend a process specific to each board to reduce claims processing times.

By When: May 2022

Person/Team Responsible: Jennifer Barrie (all boards); Shelby Bevins-Sullivan (all boards); Ray Shields, Caleb Hubbard, Stephanie Vandever, and Cathy Greene (CVCB); Katie Dean (BOC); Anne Duvall, Eden Stephens, and Jim Howard (BTA)

4. Review the recommendation.

By When: June 2022

Person/Team Responsible: John Hardesty

5. Revise if necessary.

By When: July 2022

Person/Team Responsible: John Hardesty (all boards); Jennifer Barrie (all boards); Shelby Bevins-Sullivan (all boards); Ray Shields, Caleb Hubbard, Stephanie Vandever, and Cathy Greene (CVCB); Katie Dean (BOC); Anne Duvall, Eden Stephens, and Jim Howard (BTA)

6. **Prepare board-specific written policies and procedures manuals to include detailed claims procedure based on process previously developed.**

By When: October 2022

Person/Team Responsible: John Hardesty (all boards); Jennifer Barrie (all boards); Shelby Bevins-Sullivan (all boards); Ray Shields, Caleb Hubbard, Stephanie Vandever, and Cathy Greene (CVCB); Katie Dean (BOC); Anne Duvall, Eden Stephens, and Jim Howard (BTA)

7. **Implement the new claims processing procedures. By When:** November 2022

Person/Team Responsible: John Hardesty (all boards); Jennifer Barrie (all boards); Shelby Bevins-Sullivan (all boards); Ray Shields, Caleb Hubbard, Stephanie Vandever, and Cathy Greene (CVCB); Katie Dean (BOC); Anne Duvall, Eden Stephens, and Jim Howard (BTA)

Section VIII. Strategic Plan Progress Report on Goals and Objectives operable in the last year

Goal 3, Objective 3.4, Tactic 3.4.2: The Kentucky Claims Commission will process all claims in a timely manner to prevent a backlog of unprocessed claims.

The Office of Claims and Appeals significantly reduced the backlog of cases and continues to process claims in a timely manner. The CVCB has reduced its claim processing time from 1,100 days to approximately 100 days. The Board of Claims has begun to reduce its claim processing time, as has the Board of Tax Appeals. The Board of Claims currently has 303 open cases from 2020 to present. Cases older than 2020 total less than ten (10). The Board of Tax Appeals has 325 open cases, 196 of which are 2021 appeals.

Goal 3, Objective 3.4, Tactic 3.4.3: The Cabinet and its agencies will prepare for a smooth transition to the new Mayo-Underwood state-office building at 500 Mero Street.

The Office of Claims and Appeals had a smooth transition from 130 Brighton Park Blvd., Frankfort KY to the Mayo-Underwood Building. This consisted of scanning and archiving years of files and updating the database to reflect the changes. We moved approximately 99% of the office furniture and supplies to surplus and returned copiers/printers to Xerox. Each employee boxed their offices and moved them to their new workstation.

Goal 4, Objective 4.1, Tactic 4.1.1: The Cabinet's Office of Communications and Public Outreach will work with the in-house web design team to develop a new user-friendly website.

Performance Measure: The Kentucky Claims Commission will collaborate with the Office of Communications and Public Outreach to implement a new site for KCC.

We have a new website for all the three agencies, and it is updated on a regular basis. CVCB now has an online claim form that the public can fill out and return to us to process their claim. The Crime Victims Compensation Board's database has been updated and the Board of Claims and the Board of Tax Appeals are in the process of being updated and are nearly finished.

Department of Professional Licensing

Section VI. Situation Analysis/Environmental Analysis

The Department of Professional Licensing (DPL) was formerly known as the Office of Occupations and Professions until the enactment of HB 443 in 2017. KRS 324B.030 requires that DPL shall provide administrative services, technical assistance, and advice to state boards and commissions that are created to license, certify, register, or otherwise regulate any occupational or professional category.

DPL provides administrative and fiscal services to 24 boards, registries, and commissions (shown below) which collectively regulate over 31,900 individuals and businesses throughout Kentucky. The services include, in part: organizing and moderating board meetings; overseeing the budget and fiscal operations of boards and providing general operating functions; preparation of budget and fiscal reports; processing of receipts and expenses; responding to questions from board members, licensees, and the public; processing and reviewing applications and other filings by licensees; processing complaints against licensees; coordinating and working with other professionals serving the boards; maintenance of the Boards' websites; maintenance and development of necessary licensing applications for the Boards; and other administrative support services.

Section VII. Measurable Goals, Objectives, & Key Performance Indicators

Goal 1: Achieving employee job satisfaction, through one or more of the objectives listed below.

Objective 1.1: Support the continued use of a hybrid work model allowing employees to work remotely for part of the work week.

Performance Indicators:

Output: For all employees and managers to continue working effectively and efficiently whether working remotely or in the office.

Outcome: Have employees and managers maintain an appropriate performance evaluation while using a hybrid work model.

Strategy 1.1.1: Create a team to review existing performance indicators for proper management of employees working a hybrid work model, and to improve task evaluation and scheduling tools to ensure that work production is sustained during the use of the hybrid model. Further, the team will review additional methods to promote the use of E-Services and make more materials available online for regulated individuals.

Action Plan:

Task/Activity

1. Form a team.

By When: October 15, 2021

Person/Team Responsible: DPL management

2. Develop and recommend a plan.

By When: December 6, 2021

Person/Team Responsible: Team

3. Review the recommendation, suggest revisions if necessary.

By When: December 15, 2021

Person/Team Responsible: Commissioner

4. Forward final plan and recommendation to Cabinet. **By When:** January 14, 2022

Person/Team Responsible: Commissioner

5. Implement plan if approved.

By When: January 28, 2022

Person/Team Responsible: DPL management

Objective 1.2: Implement a training and professional development plan for all employees and managers by July 2022.

Performance Indicators:

Output: For all employees and managers to complete their training and professional development plan by the end of 2022.

Outcome: The goal is to have at least 80% of employees and managers surveyed give a rating of “Highly Effective” or “Effective” for how effectively the training met their needs on the job.

Strategy 1.2.1: Create a team to identify training needs and propose a training plan. DPL management (Commissioner, Supervisors) and DPL General Counsel will serve as the initial “Team” for this strategy; the Team members may change as determined by the Team.

Action Plan:

Task/Activity

1. Develop training needs survey.

By When: January 28, 2022

Person/Team Responsible: Team

2. Conduct survey of all employees/managers.

By When: February 25, 2022 **Person/Team**

Responsible: Commissioner

3. Develop and recommend a three-year training plan, forward to Cabinet.

By When: March 25, 2022

Person/Team Responsible: Team

4. Review the recommendation.

By When: April 29, 2022

Person/Team Responsible: Cabinet Secretary

5. Revise if necessary.

By When: May 27, 2022

Person/Team Responsible: Team

6. Implement training plan.

By When: June 24, 2022

Person/Team Responsible: DPL management

Objective 1.3: Review operations to identify if any changes to organization or operation methods will improve employee job performance and satisfaction.

Performance Indicators:

Output: Improvement of operations resulting in improved job performance and satisfaction.

Outcome: Identification and implementation of any changes to organization or operation methods that will improve employee job performance and satisfaction.

Strategy 1.3.1: Create a team to identify any changes to organization or operation methods that will improve employee job performance and satisfaction. DPL management (Commissioner, Supervisors) and DPL General Counsel will serve as the initial team; the team members may change as necessary.

Action Plan:

Task/Activity

1. Identify potential improvements, including input from DPL staff.

By When: April 15, 2022

Person/Team Responsible: Team

2. Develop a report and any recommendations, forward to Cabinet. **By When:** May 27, 2022

Person/Team Responsible: Team

3. Review the report and recommendations.

By When: June 24, 2022

Person/Team Responsible: Cabinet Secretary

4. Revise if necessary.

By When: July 22, 2022

Person/Team Responsible: Team

5. Implement any approved recommendations.

By When: October through December 2022

Person/Team Responsible: DPL management

Goal 2: Support the operations of occupational licensing boards served by the Department of Professional Licensing, through one or more of the objectives listed below.

Objective 2.1: Support the continued use of the hybrid board meeting model allowing board members and the public to attend board meetings remotely or in person.

Performance Indicators:

Output: For boards to continue meeting effectively and efficiently whether attendance is remote or in the office.

Outcome: Board meetings to be conducted using methods that allow board members to meet remotely or in person, transparently and in compliance with open meeting laws.

Strategy 2.1.1: Create a team to review current hybrid meeting methods, identify performance indicators for proper evaluation of hybrid meetings, and identify improvements for hybrid meetings.

Action Plan:

Task/Activity

1. Form a team.

By When: February 25, 2022

Person/Team Responsible: DPL management

2. Develop survey.

By When: March 31, 2022

Person/Team Responsible: Team

3. Conduct survey of board members, DPL staff assigned as board administrators, the public, and any other identified groups.

By When: May 20, 2022

Person/Team Responsible: Team

4. Review results of survey, develop a report and any recommendations.

By When: June 17, 2022

Person/Team Responsible: Team

5. Forward report and any recommendations to Cabinet.

By When: August 5, 2022

Person/Team Responsible: Commissioner

6. Review the recommendation.

By When: August 26, 2022

Person/Team Responsible: Cabinet Secretary

7. Forward report and any recommendations, as revised if applicable, to boards. **By When:** September 16, 2022

Person/Team Responsible: Team

8. Implement any approved recommendations.

By When: October 28, 2022

Person/Team Responsible: DPL management

Objective 2.2: Develop online capabilities for initial applications and complaint filings for all boards served by DPL.

Performance Indicators:

Output: Initial applications and complaints can be submitted online.

Outcome: All boards served by DPL will have the ability to accept initial applications and complaints online. This will supplement the current E-Services and online renewal system capabilities.

Strategy 2.2.1: Develop online capabilities so that initial applications and complaint can be submitted online for all boards served by DPL.

Action Plan:

Task/Activity

1. Identify online filing needs for boards.

By When: March 30, 2022

Person/Team Responsible: DPL management

2. Meet with Cabinet's Office of Information Technology to discuss online filing needs and develop a plan.

By When: April through August 2022

Person/Team Responsible: DPL management, OIT

3. Develop a report and recommendations, forward to Cabinet.

By When: September 16, 2022

Person/Team Responsible: DPL management

4. Review the report and recommendations. **By**

When: September 30, 2022 **Person/Team**

Responsible: Cabinet Secretary

5. Implement any approved recommendations.

By When: Dates identified in recommendations

Person/Team Responsible: DPL management, OIT

Objective 2.3: Continuously refine administrative regulations to clarify language for licensees and the public.

Performance Indicators:

Output: Recommendations to boards served by DPL to improve their administrative regulations and forms.

Outcome: Better and clearer language and forms in regulations to improve professional efficiency and public understanding.

Strategy 2.3.1: Review statutes and administrative regulations for each board served by DPL at least once each year to identify ambiguous or confusing language.

Action Plan:

Task/Activity

1. Develop a review plan and forward the review plan to the Cabinet.

By When: February 25, 2022

Person/Team Responsible: DPL management, DPL General Counsel

2. Review the report and recommendations.

By When: March 25, 2022

Person/Team Responsible: Cabinet Secretary

3. Revise if necessary.

By When: April 25, 2022

Person/Team Responsible: Team

4. Implement plan.

By When: On and after May 1, 2022

Person/Team Responsible: Team

Kentucky Real Estate Authority

VI. Situation Analysis/Environmental Analysis

The Kentucky Real Estate Authority (KREA) was created on December 1, 2016 by Executive Order 2016-859, which was later codified by the General Assembly in KRS 324B.050 with an effective date of April 11, 2017. KREA administers four real property-related professional licensing boards: the Kentucky Real Estate Commission, the Real Estate Appraisers Board, the Kentucky Board of Home Inspectors, and the Board of Auctioneers. Under KRS 324B.050(2), KREA is managed by an Executive Director who is appointed by the Secretary of the Public Protection Cabinet with prior written approval of the Governor. KREA employs administrative coordinators who carry out the administrative functions and day-to-day operations of each of the real property boards.

Under KRS 324B.060, the Executive Director provides oversight to the boards; reviews and approves or disapproves any proposed administrative regulation by the boards prior to the promulgation of the administrative regulation; and evaluates the budgets and expenditures of the boards. The Executive Director automatically hears and issues final orders regarding any decision of the boards that would otherwise be subject to appeal; makes available for public inspection all decisions, opinions and interpretations formulated or used by the Executive Director in discharging his/her other functions; carries out the policy and program directives of the department; prepares annual reports of their activities; and delegates any power to employees and contractors as needed.

VII. Measurable Goals, Objectives, and Key Performance Indicators

Goal 1: Support the Governor’s priorities of Education & Wages.

Objective 1.1: During FY2022, all real estate boards will initiate promotional efforts and targeted outreach to specifically increase racial and gender inclusion within the membership of their licensee bases.

Performance Indicators:

Output: Development of sustainable diversity initiatives by all 4 real estate boards.

Outcome: Measurable growth of racial and gender participation after 5 years in at least 75% of the Kentucky Real estate Boards.

Strategy 1.1.1: Identify unrepresented or underserved groups within the real estate industry.

Action Plan:

Task/Activity

1. Each real estate board will develop measures, including benchmark ratio of professionals per 100,000 in population, to utilize when collecting data.

By When: First 180 days of FY2022

Person/Team Responsible: Board coordinators of real estate boards

Strategy 1.1.2: Survey and analyze population demographics as compared to licensee demographics to objectively determine extent of those underserved.

Action Plan:

Task/Activity

1. Using most recent census data, create county by county analysis of present versus benchmark numbers.

By When: End of FY2022

Person/Team Responsible: Board coordinators of real estate boards

Strategy 1.1.3: Create scholarship centric initiatives, mentoring opportunities, and other open-door initiatives to create career interest in Kentucky's real estate professions.

Action Plan:

Task/Activity

1. Create sustainable programs of scholarship/mentorship/practical professional experience and implement such programs as are approved.

By When: First 90 days of FY2023

Person/Team Responsible: Board subcommittees of each real estate board

Strategy 1.1.4: Monitor changes in composition of board appointments and licensee participation annually beginning FY2025. Report findings consecutively thereafter in Executive Director's annual report.

Action Plan:

Task/Activity

1. Monitor changes which could logically be attributed to these initiatives in KREA Executive Director's annual report.

By When: Starting with FY2025 report

Person/Team Responsible: KREA Executive Director

Goal 2: **Support the Governor's priority of Example.**

Objective 2.1: Continuously refine administrative regulations to clarify language for licensees and the public.

Performance Indicators:

Output: Completion and enactment of initial regulatory updates by all four real estate boards by FY2023.

Outcome: Updated rules to protect Kentucky consumers and enhance professional licensing and license education.

Strategy 2.1.1: Review statutes and administrative regulations biennially to identify ambiguous or confusing language.

Action Plan:

Task/Activity

1. Perform review of all statutes and regulations biennially to identify updates needed or language/forms that can be simplified.

By When: Biennially beginning in FY2022

Person/Team Responsible: Board coordinators, KREA General Counsel, KREA Executive Director

Strategy 2.1.2: Simplify language and forms in regulations to improve professional efficiency and public understanding; promulgate revisions to add, revise, and update where needed.

Action Plan:

Task/Activity

1. Amend statutes and regulations to accomplish Strategy 2.1.2.

By When: Beginning in FY2022, biennially after

Person/Team Responsible: Board coordinators, KREA General Counsel, KREA Executive Director, Board Commissioners

Objective 2.2: KREA leadership will increase emphasis on educating the public concerning the responsibilities and duties of the KREA and its boards.

Performance Indicators:

Output: Increased, measurable use of e-services and web information by consumers and licensees.

Outcome: Reduction in aggregate monthly customer service call volume by at least 20% beginning FY2024.

Strategy 2.2.1: Update the KREA website periodically with informative documentation and links regarding what the KREA is able and unable to do.

Action Plan:

Task/Activity

1. Coordinators evaluate websites and recommend changes in content, language, and style to tell story or provide timely information to licensees.

By When: End of third quarter FY2022; updates as needed; reviewed every 6 months

Person/Team Responsible: Board Coordinators

Strategy 2.2.2: KREA customer service phone staff will attempt to modify dependence behaviors learned over the years by encouraging callers to look first for answers and general license status information on website.

Action Plan:

Task/Activity

1. Customer service tactics and training provided, including role playing.

By When: Quarterly, starting FY2022

Person/Team Responsible: KREA Leadership staff

Strategy 2.2.3: Increase outreach programs, public service events, and social media presence to explain the fundamentals of KREA and the real estate boards.

Action Plan:

Task/Activity

1. Implementation of major changes by

IT. **By When:** End of FY2022

Person/Team Responsible: IT Division

2. Participation in events and professional organizations on national, state, and local levels, to include representation at all national professional organizations such as Association of Real Estate License Law Officials (ARELLO) and Association of Appraiser Regulatory Officials (AARO).

By When: Subject to health protocols, active rollout by June 2022

Person/Team Responsible: KREA Executive Director, board coordinators and selective staff. Some events may require coordination by Cabinet-level staff

Objective 2.3: Support the concept of the Hybrid Work Model.

Performance Indicators:

Output: Enable Kentucky consumers and licensees to access information 24/7 throughout the state by FY2024.

Outcome: Reduction in annual KREA employee turnover by 15%, which should be measurable in FY2024 analysis.

Strategy 2.3.1: Make additional essential material available online, provide the technology to produce, access, and share; train staff to a level of comfort to use it regularly.

Action Plan:

Task/Activity

1. Evaluate all KREA websites for accuracy and completeness of content available online. Update any incomplete or inaccurate information, ensuring that messages comply with statutes and regulations in place. Certify the language is easy to understand. Where forms are needed, identify forms specifically.

By When: End of FY2022.

Person/Team Responsible: Board coordinators, KREA General Counsel, KREA Executive Director, IT Division as required

Strategy 2.3.2: Promote e-filing and decrease the reliance on customer service phone calls.

Action Plan:

Task/Activity

- 1. Train and oversee customer service team on how to professionally handle and redirect calls for specific information which can be easily found on website. Develop simple cue cards for training.

By When: Action is subordinate to completion of 4.2.1, so cannot begin until end of FY2022

Person/Team Responsible: KREA Executive Director, PPC HR training staff

Strategy 2.3.3: Digitize agency records for easier access by employees, licensees, and consumers.

Action Plan:

Task/Activity

- 1. Review all paper records presently in storage and set dates for start and completion of digitizing records for specific boards.

By When: Begin mid FY2022, complete by end of FY2023

Person/Team Responsible: Board coordinators

Strategy 2.3.4: Develop task evaluation and scheduling tools ensuring work ethic will be maintained, and work production sustained while the hybrid model advances.

Action Plan:

Task/Activity

- 1. Create and implement key data points or performance indicators for objective and decisive management of remote operating teams. Define semiannual operational objectives for boards. Synchronize schedules with outlook calendar for oversight of team.

By When: End of FY2022

Person/Team Responsible: KREA Team

Strategy 2.3.5: Completion of Kentucky Broadband initiative by end of FY2024 (related but not under PPC control).

VIII. Strategic Plan Progress Report on Goals and Objectives Operable in the Last Year

The Kentucky Real Estate Authority was not specifically identified in the Cabinet’s prior strategic plan. However, several achievements made within the Authority’s four licensing boards align with prior goals.

Cabinet Goal 1. Support Red Tape reduction by cutting, amending, and updating overly burdensome and bureaucratic regulations.

***Objective 1.1 Undertake comprehensive review of all agency regulations.**

Progress report: Each of KREA’s boards has completed a comprehensive review of current regulations and has identified further areas where updates and revisions are appropriate. The Kentucky Board of Real Estate Appraisers’ first round of revisions have been approved and were enacted at the beginning of FY2022.

Additional regulation revisions will be forthcoming from Kentucky Board of Real Estate Appraisers, and the Kentucky Board of Home Inspectors in the second quarter of FY2022.

Cabinet Goal 2. Move all PPC Cabinet licensing to online platforms, eliminating need for manual data input, paper processing, and postage.

***Objective 2.3 Secure online software-licensing platforms for agencies that need updated systems.**

Progress report: The Board of Auctioneers has successfully transitioned all four of its license exams to an online platform which is now in the final stages of testing. A contract for administrating and proctoring these online exams at over two dozen of Kentucky's regional technical and community colleges is also expected to be in place by first quarter of FY2022.

Cabinet Goal 3: Find new and innovative ways to deliver critical services while simultaneously protecting Kentuckians, promoting efficiencies, and increasing cost savings across the Cabinet.

***Objective 3.1—Develop online training opportunities for licensees and the public.**

Progress report: See 2.3 above. In addition, all four real estate boards have updated their websites throughout 2020 with expansive content; several boards have added a "latest news" section, of interest to licensees and the public.

All boards have increased the number of online continuing education courses during 2020 and are encouraging providers to continue this trend in 2021.

***Objective 3.3—Improve existing cabinet services provided to the general public and eliminate backlogs.**

Progress report: Presently any consumer complaint form can be found and completed online. Only the Board of Auctioneers requires original forms to be mailed in, which should end once BOA undertakes their comprehensive regulation revisions during FY2022, making electronic filling and prompt processing a reality for all KREA consumers.

KREA developed and refined a new consumer complaint tracking format in early 2020 that enables investigators, attorneys, and executive staff to quickly see progress, or lack thereof, in reductions of consumer complaint backlogs, and prioritize tactical strategies to reduce such backlogs. Since implementation in July 2020, the Kentucky Real Estate Commission has seen a reduction of backlogs from 247 to 104 open cases as of the first quarter of FY2022.

Department of Charitable Gaming

Section VI. Situation Analysis/Environmental Analysis

The Department of Charitable Gaming (DCG) provides regulatory framework allowing charitable gaming to thrive as a viable fundraising mechanism. The Department ensures the productivity of charitable gaming through appropriate regulation, oversight, and education. The Department strives to provide quality and accessible training for licensees and the charitable organizations they represent. The Department continues to examine charitable gaming methods used across the Commonwealth and explores new approaches to make the industry more modernized and profitable for charities.

Section VII. Measurable Goals, Objectives & Key Performance Indicators

Goal 1: Develop new training methods for charitable gaming licensees.

Objective 1.1: Create individual training videos utilizing YouTube, a social media platform, which would allow new and current licensees access to learn or review the rules of play and completion of financial reports, applications, and various other Department forms.

Performance Indicators:

Output: Videos will be loaded on YouTube, Facebook, and the Department's website for viewing. Licensees will have the ability to view at their convenience. Licensees would be able to stay knowledgeable on the rules of play for various charitable games and completing required forms.

Outcome: 100% of all licensing, compliance, audit, and reporting processes will be available for licensees to view at their convenience. Videos will also be used for in-person training sessions by compliance officers as requested by licensees.

Strategy 1.1.1: Create a team to develop and oversee training, which will include compiling and reviewing information, developing, and updating power point presentations, etc. Team will consist of the program coordinator, branch managers, the director of Licensing and Compliance, and the fiscal manager.

Action Plan:

Task/Activity

1. Gather, compile, create and review necessary training information from each branch.

By When: December 2021

Person/Team Responsible: Team (referenced above)

2. Record individual videos for each section using PowerPoint presentation as needed. **By When:** January 2022

Person/Team Responsible: Team (referenced above)

3. Review and revise training presentations before uploading.

By When: February 2022

Person/Team Responsible: Team (referenced above), Commissioner and Executive Advisor

4. Upload videos to Facebook and/or website.

By When: March 2022

Person/Team Responsible: Program Coordinator

Goal 2: Evolve Charitable Gaming in ways to better thrive as a fundraising mechanism and ensure increasing profit for the charities.

Objective 1.1: Allow charities more flexibility in relation to electronic pull-tabs & raffles.

Performance Indicators:

Output: Review and amend regulations cutting out unnecessarily restrictive language. Review regulations concerning electronic devices for amendments and technical adjustments.

Outcome: Regulations will be reviewed internally and then by the cabinet. Proposed amendments will be filed with the LRC pursuant to the KRS 13A process.

Strategy 1.1.1: Form a team of DCG staff to identify ways to modernize charitable gaming, which would consist of education, technical reviews, and reviews of administrative regulations. The team would consist of the Commissioner, Staff Attorney and Division Directors.

Action Plan:

Task/Activity

1. Team reviews regulations and drafts proposed amendments.

By When: December 2021

Person/Team Responsible: Team (referenced above)

2. Drafts are approved by the cabinet, filed with the LRC, have a public comment period and a public comment hearing, then submitted to the L&O subcommittee to be ratified or declared deficient.

By When: October 2022

Person/Team Responsible: Team (referenced above)

Section VIII. Strategic Plan Progress Report on Goals & Objectives Operable in the Last Year

Goal 1, Objective 1.2, Tactic 1.2.1: Identify and eliminate redundant and burdensome regulations. Initiate statutory changes when necessary.

o **Progress Report:** The Department of Charitable Gaming promulgated amendments which were enacted in early 2019 that addressed the goals of streamlining charitable gaming administrative regulations. The Department also worked with the legislature to ensure passage of bills that cleaned up language related to charitable gaming facilities in KRS 238.550. This also provided licensed charitable organizations a one-year reprieve from the requirement that they must retain at least 40% of their adjusted gross receipts

due to difficulties caused by the COVID-19 pandemic. This goal was completed mid-2019 by DCG executive staff.

Goal 4, Objective 4.1, Tactic 4.1.1: The Cabinet’s Office of Communications and Public Outreach will work with the in-house web design team to develop a new user-friendly website.

Performance Measure: The Department of Charitable Gaming will review the existing website and prepare relevant information for transition to the new DCG website interface.

- **Progress Report:** The Department of Charitable Gaming has reviewed all relevant information and completed the transition to the website. This goal was completed in early 2020 by the Executive Advisor.

Goal 4, Objective 4.2, Tactic 4.2.1: Increase the reach of existing public outreach campaigns within the Cabinet.

Performance Measures: The Department of Charitable Gaming will expand its online training program to include an online database of YouTube videos, Facebook Live videos, training manuals, and detailed training sessions for all areas of gaming.

- **Progress Report:** The Department of Charitable Gaming continues to develop an online database of YouTube videos consisting of detailed training for all areas of gaming. The Department has ceased Facebook Live due to the transition into a new building in fall of 2019 and the COVID-19 pandemic in early 2020.

Performance Measures: The Department of Charitable Gaming will refocus the current Advisory Board established by KRS 238.520 to accurately represent the current licensee pool and spur active discussion between regulators, charitable organizations, gaming manufacturers, facilities, and distributors in the Commonwealth.

- **Progress Report:** This goal would require a legislative change to KRS 238.520(1).

Department of Alcoholic Beverage Control

Section VI. Situation Analysis/Environmental Analysis

The Department of Alcoholic Beverage Control (ABC) administers and enforces the laws and regulations relating to the manufacturing, sales, transportation, storage, advertising, and trafficking of alcoholic beverages, except for the collection of taxes, as set out in the Kentucky Revised Statutes (KRS) Chapters 241 to 244 and title 804 of the Kentucky Administrative Regulations (KAR). The Commissioner is the Department's chief executive officer and serves as Chairman of the separate three-member, quasi-judicial administrative body, Alcoholic Beverage Control Board. The Distilled Spirits and Malt Beverage Administrators review applications, sign licenses for issuance, and serve as the two other members of the Board. ABC's primary responsibility is to regulate the alcoholic beverage industry by licensing the production and sale of alcoholic beverages in the state of Kentucky, while enforcing the alcoholic beverage control laws.

Section VII. Measurable Goals, Objectives & Key Performance Indicators

Goal 1: To make the Commonwealth of Kentucky a safer place through education by offering Server Training in Alcohol Regulations (STAR) and provide support for the malt beverage education fund which provides moneys for educational information and materials that deter or eliminate underage drinking (KRS 211.285).

Objective 1.1: To implement a new Server Training in Alcohol Regulations (STAR) training program facilitated by the department.

Performance Indicators:

Output: New STAR training program available by October 2022.

Outcome: The new in-house STAR training program will allow the department to update and modify the course with new laws and regulations in a timely fashion. It will also allow the department to access STAR certificates and provide copies upon request to employees or employers.

Strategy 1.1.1: Create a team to develop, test, and implement the new in-house STAR training program.

Action Plan:

Task/Activity

1. Develop training course materials and exam content.

By When: December 2021

Person/Team Responsible: Team

2. Develop online training course. **By**

When: February 2022 **Person/Team**

Responsible: IT Developers

3. User Acceptance Testing (UAT) Round 1.

By When: April 2022

Person/Team Responsible: Team

4. Update online training course to correct issues found in UAT Round 1.

By When: June 2022

Person/Team Responsible: IT Developers

5. UAT Round 2.

By When: Aug 2022

Person/Team Responsible: Team

6. Update online training course to correct issues found in UAT Round 2 and deploy new STAR training program online.

By When: October 2022

Person/Team Responsible: All

Objective 1.2: To provide support for the malt beverage educational fund.

Performance Indicators:

Outcome: 100% of moneys will be distributed to fund education programs designed to deter or eliminate underage drinking.

Strategy 1.2.1: Designate a department representative for the malt beverage education corporation and distribute moneys accordingly.

Action Plan:

Task/Activity

1. Designate representative for the corporation's board of directors.

By When: August 2021

Person/Team Responsible: Commissioner

2. Attend any meetings of the Malt Beverage Educational Corporation.

By When: As required

Person/Team Responsible: Designee

3. Review applications received and grant funds to applicants to support events designed to deter or eliminate underage drinking.

By When: End of the fiscal year, annually

Person/Team Responsible: Designee

Goal 2: To provide ongoing training to middle school, high school, and college-age students regarding the dangers of underage drinking.

Objective 2.1: Investigators are periodically involved in messaging the dangers of underage drinking at schools and other youth group gatherings. The Division of Enforcement has, as a goal, to increase outreach to the next generation of Kentuckians through enhanced and interactive presentations to this segment of the population. With the implementation of the new IT platform, it is envisioned that more Investigators will be afforded more time to incorporate this important function into their schedules.

Performance Indicators:

Output: All employees and managers have completed their training plan by the end of 2023.

Outcome: 80% of participants surveyed rate how effectively the training met their needs back on the job as “Highly Effective” or “Effective”.

Strategy 2.1.1: Create a team to identify training needs and propose a training plan. Train more investigators in communicating important messages regarding the perilous consequences of underage drinking and withstanding peer pressure related to drinking.

Action Plan:

Task/Activity

1. Develop training needs survey.

By When: April 2022

Person/Team Responsible: Team

2. Conduct survey of all employees/managers.

By When: May 2022

Person/Team Responsible: Investigator Mangers

3. Develop and recommend a three-year training plan. **By When:** September 2022

Person/Team Responsible: Team

4. Review the recommendation.

By When: October 2022

Person/Team Responsible: Investigator Mangers

5. Revise if necessary.

By When: November 2022

Person/Team Responsible: Team

6. Implement training plan.

By When: January 2023

Person/Team Responsible: Investigator Mangers and Investigators

Goal 3: To conduct direct-to-consumer compliance checks.

Objective 3.1: With provisions for direct-to-consumer shipping approved by the legislature, investigators have an added responsibility to ensure compliance by testing licensees participating in this new method of alcohol sales and delivery. The Division of Enforcement has established the goal of conducting ongoing compliance checks for this subset of licensees, similar to the Operation Zero Tolerance (OZT) operations that are currently conducted by investigators.

Performance Indicators:

Output: All investigators have completed their training and begun monthly compliance checks on Direct-to-Consumer shippers by the end of 2023.

Outcome: 90% of licensees checked for compliance were successful in following the legal requirements associated with direct shipping.

Strategy 3.1.1: Create a team to identify training needs and propose a training plan. This type of compliance check will differ somewhat from the traditional OZT operation in that, logistically, it presents several obstacles to overcome, such as appropriate delivery addresses and the time to wait for the shipment to arrive. These obstacles will be addressed and resolved as a part of this plan.

Action Plan:

Task/Activity

1. Develop training needs associated with this type of compliance check.

By When: April 2022

Person/Team Responsible: Team

2. Conduct compliance checks involving participation from all investigators. **By When:** May 2022

Person/Team Responsible: Investigator Mangers

3. Develop and recommend a three-year compliance plan.

By When: September 2022

Person/Team Responsible: Team

4. Review the recommendation.

By When: October 2022

Person/Team Responsible: Investigator Mangers

5. Revise if necessary.

By When: November 2022

Person/Team Responsible: Team

6. Implement permanent ongoing compliance check plan for direct-to-consumer shippers.

By When: January 2023

Person/Team Responsible: Investigator Managers and Investigators

Goal 4: To become a statewide leader in identifying and responding to human trafficking.

Objective 4.1: Investigators are in a prime position to identify human trafficking, both sex and labor trafficking of adults and children, in licensed establishments including bars, restaurants, strip clubs, hotels, etc. Investigators will become experts in their regions in identifying and responding to trafficking victims and offer support to local, state, and federal law enforcement in the investigation and prosecution of trafficking cases.

Performance Indicators:

Output: Identified Investigator Manager and investigators will receive intensive human trafficking investigations training by October 2021.

Outcome: Identified investigators will provide follow-up training and briefing to the commissioner, director, and other enforcement officers by November 2021.

Strategy 4.1.1: Create a team to identify training needs and propose a training plan. Each enforcement region will have an identified lead to assist in human trafficking investigations, to act as the regional expert and to support potential future grant-funded operations.

Action Plan:

Task/Activity

1. Every investigator will receive a basic training on human trafficking laws, victim identification, and investigations.

By When: April 2022

Person/Team Responsible: Team

2. Every investigator will attend at least one Statewide Human Trafficking Taskforce meeting and law enforcement subcommittee meeting.

By When: April 2022

Person/Team Responsible: Investigator Manager

3. Develop and recommend a long-term training and response plan.

By When: May 2022

Person/Team Responsible: Team

4. Identify and apply for available human trafficking investigation grant funds. **By When:** September 2022

Person/Team Responsible: Team

5. Implement grant-funded action plan if funds awarded. **By When:** October 2023

Person/Team Responsible: Team

Kentucky Horse Racing Commission

Section VI. Situation Analysis/Environmental Analysis

The Kentucky Horse Racing Commission (KHRC) regulates all horse racing and pari-mutuel wagering thereon in the Commonwealth consistent with KRS Chapter 230 and Titles 810 and 811 of Kentucky Administrative Regulations. The KHRC is responsible for developing programs and procedures for race day medications, recommending tax incentives, and promoting the horse industry.

The Executive Director's Office is responsible for overseeing the day-to-day operations and carrying out policy and program directives of the Commission.

The Division of Licensing is responsible for licensing all individuals that participate in racing. This entails thoroughly examining individual criminal background checks and ensuring applicants meet all requirements to attain the requested license.

The Division of Enforcement investigates any violations of the regulations governing horseracing in Kentucky. This includes conducting investigations into those who violate the regulations, as well as those who seek licensure whose conduct or reputation may negatively reflect on the honesty and integrity of horse racing.

The Division of Veterinary Services is comprised of state veterinarians and support staff. The Chief State Veterinarian supervises the operations of the test barn, the collection of urine and blood samples for testing, and preparation and documentation of the urine and blood samples that are subsequently transported to the laboratory. The Commission official veterinarians examine horses for soundness and racing fitness to ensure the health and safety of every horse, jockey, and driver. They administer race day Lasix medication. This division maintains health records for all horses that compete at each race meet to compare previous injuries to each horse's present condition.

The Division of Pari-Mutuel Wagering and Compliance is responsible for the integrity of the tote systems and prices, performing random audits, confirming state regulation compliance, and analyzing wagering taxes and seed pools for wagering on historical horseracing. This Division allows Kentucky Horse Racing Commission to validate the wagering of Kentucky horse racing which is a vital regulatory responsibility.

The Division of Stewards oversees the live racing at each licensed race meeting on behalf of the Racing Commission. Stewards and Judges have authority over all horses and persons on association grounds during each race meeting as to all matters relating to racing. They conduct hearings and make determinations on disputes, protests, complaints, or objections concerning racing. They verify order of finish in each race before results are posted "official."

Section VII. Measurable Goals, Objectives & Key Performance Indicators

Goal 1: Support Governor Beshear's priority of wages by investing in workforce training, education, and workplace satisfaction.

Objective 1.1: Identify and implement workforce training, education and an environment that retains employees and fosters growth in a team setting.

Performance Indicators:

Output: KHRC employees have completed training and/or education identified by team directors by end of 2023.

Outcome: 75% of KHRC employees effectively complete their training and 80% of KHRC employees are retained for at least two years.

Strategy 1.1.1: Division directors and/or managers identify training and education needs and propose a plan for respective division. Includes continuing education for veterinary division, steward division & legal division.

Action Plan:

Task/Activity

1. Develop survey to assess training, education, and workplace satisfaction. **By When:** May 2022

Person/Team Responsible: Executive Director, Deputy Executive Director, Office Manager

2. Conduct survey of all KHRC team members.

By When: July 2022

Person/Team Responsible: Deputy Executive Director, Office Manager

3. Recommend a plan for each KHRC team member. **By When:** October 2022

Person/Team Responsible: Deputy Executive Director, Office Manager, Division Directors and Managers

4. Implement the plan for each KHRC team member. **By When:** January 2023

Person/Team Responsible: Division Directors and Managers

Goal 2: Support Governor Beshear's priority to be an international agriculture leader by investing in agriculture technology. Move all licensing to online platforms, eliminating the need for manual data input, paper processing, and postage.

Objective 2.1: Review licensing database and determine if system can allow participants to renew, upload photo, print badge, and pay through an online web portal.

Performance Indicators:

Output: Online web portal developed and implemented by end of 2023.

Outcome: At least 50% of licensees' renewals are completed online using the web portal by end of 2023.

Strategy 2.1.1: Form a team to work with developers and create an online portal to renew KHRC licenses.

Action Plan:

Task/Activity

1. Identify team to work with developers. **By When:** January 2022
Person/Team Responsible: 1-2 staff from the Licensing Division, 1-2 staff from PPC IT
2. Survey current licensees to identify aspects of online portal that would provide best benefit to our customers.
By When: March 2022
Person/Team Responsible: Licensing Division Director and staff
3. Develop plan to build the online portal.
By When: June 2022
Person/Team Responsible: Individuals identified in #1 above
4. Build the online portal.
By When: January 2023
Person/Team Responsible: Individuals identified in #1 above along with any outsourced companies
5. Test the online portal.
By When: May 2023
Person/Team Responsible: Individuals identified in #1 above along with Licensing Division
6. Activate the online portal.
By When: November 2023
Person/Team Responsible: Individuals identified in #1 above

Goal 3: Support Governor Beshear’s priority of example by remaining transparent and finding innovative ways to share critical data related to equine breeding, racing and pari-mutuel wagering in the Commonwealth.

Objective 3.1: Review agency data related to each division and determine if data can be shared with public and best mechanism to share and/or disseminate the data.

Performance Indicators:

Output: Streamline data so that public can easily locate and process in a timely matter.

Outcome: All data determined to be public is easy to locate and shared in a timely matter. Agency data is easily accessible by the public and in a format that is universal and easily understood.

Strategy 3.1.1: Review each division data and determine what aspects are public. Form a team to work with each division to ensure the formats are similar for all data shared by agency.

Action Plan:

Task/Activity

1. Identify team to review agency data.

By When: January 2022

Person/Team Responsible: 1 person from each division along with 1 person from KHRC legal team and 1 person from PPC communications

2. Determine data sets that should be shared on the agency website and a format that is similar to aid in ease of public consumption.

By When: July 2022

Person/Team Responsible: Individuals identified in #1 above

3. Develop plan to share data with the public. **By When:** August 2022

Person/Team Responsible: Individuals identified in #1 above

4. Share the data.

By When: January 2023

Person/Team Responsible: Individuals identified in #1 above

Goal 4: Support Governor Beshear's priority of education through active public outreach and education to KHRC licensees and incentive fund participants.

Objective 4.1: Implement and identify public outreach and education to KHRC licensees and incentive fund participants.

Performance Indicators:

Output: KHRC licensees are aware of all related rules and regulations in Title 810 and 811. Incentive fund participants are aware of benefits of breeding and racing in Kentucky.

Outcome: KHRC licensees are aware of any changes and/or updates to the agency prior to implementation. Incentive fund participants are aware of the state incentives to breed and race in Kentucky.

Strategy 4.1.1: Determine if KHRC licensees are well-informed of rules and regulations for racing in Kentucky as well as benefits of actively participating in breeding and racing in Kentucky.

Action Plan:

Task/Activity

1. Develop survey to assess licensee & incentive fund participants knowledge of racing and breeding in Kentucky.

By When: February 2022

Person/Team Responsible: Licensing division; Incentives & Development Division

2. Conduct survey of all KHRC licensees & Incentive Fund participants.

By When: March 2022 (opportunity to combine with survey in Goal #2; Task #2)

Person/Team Responsible: Licensing Division; Incentives & Development Division

3. Determine what types of information or resources is lacking among licensees and Incentive & Development participants.

By When: October 2022

Person/Team Responsible: Licensing Division; Incentives & Development Division

4. Implement a plan to share and update licensees and Incentive & Development participants with pertinent information regarding rules and regulations as well as racing and breeding in Kentucky so that the licensees are well-informed.

By When: January 2023

Person/Team Responsible: Licensing Division; Incentives & Development Division

Department of Insurance

Section VI. Situation Analysis/Environmental Analysis

The mission of the Kentucky Department of Insurance (DOI) is to regulate the Commonwealth's private insurance market, license agents and other insurance professionals, monitor the financial condition of licensed companies, educate consumers, and ensure Kentuckians are treated fairly in the marketplace.

DOI has six divisions (6) in addition to the Commissioner's Office where the Administrative Services branch is housed. The divisions are charged with various regulatory functions relating to Kentucky's insurance marketplace:

The Division of Consumer Protection investigates consumer and provider complaints against the admitted insurance companies, agents, business entities and other licensees. DOI also responds to consumer inquiries and provides educational material. The market conduct branch of this division conducts analysis and examinations of the business practices of insurance companies; these are completed on a targeted and routine basis. Additionally, the administration of the local government premium tax and surplus lines tax programs are within this division

The Division of Financial Standards and Examinations provides administrative oversight of company admissions to the Kentucky marketplace, conducts financial analysis and examinations of domestic insurance companies, as well as other entities authorized to conduct business in Kentucky. This Division also coordinates the annual review and five-year national accreditation conducted by the National Association of Insurance Commissioners (NAIC).

The Division of Licensing oversees licensing for all individuals and business entities engaging in the business of insurance in the Commonwealth. Additionally, this Division monitors the continuing education requirements for all licensees and coordinates the pre-licensing/ licensing examinations at our Frankfort site, as well as our partnered community and technical college sites throughout the state.

The Division of Insurance Fraud Investigations is the criminal law enforcement body within DOI. This Division investigates allegations of fraudulent insurance acts involving agents, providers, and claimants. The Fraud Division also coordinates its work with local and national law enforcement agencies, as well as other state insurance departments.

The Division of Health and Life Insurance and Managed Care is charged with the approval and regulation of the health and life insurance products sold to Kentuckians. This Division also houses the senior insurance program with specific responsibility of regulating insurance products sold to seniors. The Division of Health and Life Insurance and Managed Care, reviews and approves all rate and form filings submitted by companies operating in the Commonwealth, reviews provider contracts and oversees the utilization review and external appeals processes.

The Division of Property and Casualty Insurance reviews and takes necessary actions on all rate and form filings submitted by companies operating in the Commonwealth. Additionally, the Property and Casualty Divisions provides oversight of the mine subsidence program.

Section VII. Measurable Goals, Objectives, and Key Performance Measures

Goal 1: Continue to provide excellent service to the citizens of the Commonwealth, our insurance industry licensees, the Kentucky's Legislative Branch, and our sister states.

Objective 1.1: The Division of Health and Life Insurance and Managed Care and the Division of Property and Casualty Insurance will monitor the form and rate filing timeframes for approvals or disapprovals as to be completed by statutory requirements and national averages.

Performance Indicators:

Output: All filings will be promptly reviewed, and additional information requested and received timely.

Outcome: One hundred percent (100%) of filings with either be disapproved or approved within statutory timeframes with no “deemers”.

Strategy 1.1.1: Use internal data and data provided by the National Association of Insurance Commissioners (NAIC) to ensure that our process timeframes meet or exceed the national averages.

Action Plan:

Task/Activity

1. Monitor the national data on rate and form filing reviews to make sure that KY is meeting national standards.

By When: Quarterly

Person/Team Responsible: Division Director of Property & Casualty Division and Division Director of the Health, Life Insurance and Managed Care (HLIMC) Division

Strategy 1.1.2: Allow orders of extension to the health insurers’ filings should there be need to comply with federal changes in statutes, policies, or timeframes.

Action Plan:

Task/Activity

1. Monitor federal, state policy development & legislation to determine if extensions are needed.

By When: April and June annually

Person/Team Responsible: Health Insurance Branch Manager to Commissioner for action

Objective 1.2: The Division of Licensing will review licensing procedures to provide quick responses to licensing protocols and licensee inquiries.

Performance Indicators:

Output: All submissions to DOI, including but not limited to license applications and proof of continuing education materials will be reviewed promptly. Licensee telephone inquiries will be answered promptly.

Outcome: Qualified licensee applicants will be able to secure a testing slot within two weeks of request and licensee inquiries via email or telephone will be responded to same or next business day.

Strategy 1.2.1: Monitor the testing sites to ensure that there are adequate slots available for statewide testing.

Action Plan:

Task/Activity

1. Review the exam schedule at the testing sites for availability/adequacy. **By When:** Monthly

Person/Team Responsible: Licensing Division Director and/or Supervisor

Strategy 1.2.2: Annually review the pre-licensing coursework to ensure that the course curriculum accurately reflects new statutory additions.

Action Plan:

Task/Activity

1. Review newly enacted legislation to determine if there are changes to the pre-licensing course curriculum.

By When: At the conclusion of each regular or special session of the Kentucky Legislature (regular session review April annually or special session review at conclusion of session)

Person/Team Responsible: Licensing Division

Objective 1.3: The Financial Standards Division will ensure that all statutory deadlines are in place for the process of company admissions and annual renewals.

Performance Indicators:

Output: Financial Standards Division staff will review all company admission requests for Kentucky certificates of authority submitted to the national admissions program to ensure completeness and timeliness.

Outcome: Seventy five percent (75%) of completed company admission requests with all data information submitted will receive a review by the company admissions team within 90 days.

Strategy 1.3.1: Review software to make sure that all company admissions documentation is received, processed appropriately, and timely considered.

Action Plan:

Task/Activity

1. Review DOI's use of and compatibility with the NAIC company admissions platforms.

By When: January and June annually

Person/Team Responsible: Financial Standards Division

Strategy 1.3.2: Update software so company representatives can submit and review their annual statement filing, and check for completeness while renewing their Certificates of Authority.

Action Plan:

Task/Activity

1. Work with PPC IT Team to ensure improvements are made to online annual renewals for company use.

By When: January 2022

Person/Team Responsible: Financial Standards Division and PPC IT Team

Objective 1.4: Schedule financial examinations in an organized manner to allow ample time for company dedicated examinations.

Performance Indicators:

Output: Adhere to all NAIC accreditation requirements relating to financial examinations.

Outcome: Each required financial examination of a Kentucky domiciled company will be completed on a five-year schedule with 180 days.

Strategy 1.4.1: Reschedule previously scheduled financial examinations of domestic companies as to have an equal number of examinations each year.

Action Plan:

Task/Activity

1. Reschedule financial examinations.

By When: January 2022

Person/Team Responsible: Financial Standards Chief Examiner and Financial Standards Director/Assistant Director

Objective 1.5: The Division of Consumer Protection will conduct a quarterly review of complaint quantities and complexity of complaints to determine if the number of staff is adequate to effectively investigate pursuant to statutory timeframes. The Division will utilize complaint data to determine the appropriateness of consumer education material available on DOI's website.

Performance Indicators:

Output: The director and supervisors of the Division will review complaint closure timeframes and conclusions.

Outcome: If the number and/or complexity of the complaints is delaying timely and complete consumer response, staffing requirements will be adjusted.

Strategy 1.5.1: Supervisors as well as the Director will monitor the number and complexity of complaints received to ensure that timeframes and investigations are abiding to statutory guidelines and internal Division protocols.

Action Plan:

Task/Activity

1. Review of complaints/timeframes for responses. **By When:** Ongoing

Person/Team Responsible: Consumer Protection Complaint Supervisor and Division Director

Strategy 1.5.2: The Division will update the website with pertinent consumer education relevant to seasonal weather and/or current insurance events.

Action Plan:

Task/Activity

1. Review of the Division's website.

By When: Ongoing with emphasis on special insurance events nationally/Kentucky specific

Person/Team Responsible: Consumer Protection Director and Procedures Development Coordinator

Objective 1.6: The Division of Insurance Fraud Investigations will respond timely to all fraud referrals and will work with other federal, state, and local law enforcement agencies to address referrals accurately and effectively.

Performance Indicators:

Output: Fraud referrals are assigned and investigated in conjunction with other law enforcement agencies as needed.

Outcome: Fraud referrals will receive the necessary level of skill set and enforcement authority to resolve referral timely.

Strategy 1.6.1: When there is demonstrated insurance fraud that impacts the regulation of insurance in other states, the Director will notify those states and provide cooperation in joint investigations and prosecutions.

Action Plan:

Task/Activity

1. Monitor closely insurance fraud in Kentucky to determine if there is a multi-state impact.

By When: Ongoing

Person/Team Responsible: Insurance Fraud Investigations Director/Staff

Strategy 1.6.2: When insurance fraud impacts other law enforcement agencies, the Division will work collaboratively in the investigation and prosecution of these cases.

Action Plan:

Task/Activity

1. Determine need for collaboration on specific insurance fraud investigation and notify/work with the other agencies.

By When: Ongoing

Person/Team Responsible: Insurance Fraud Investigations Director, supervisors, & investigators

Objective 1.7: DOI will respond to all inquiries and requests from the legislative branch in a timely, transparent, and thorough manner.

Performance Indicators:

Output: All staff/contractors of DOI will forward legislative requests and inquiries to the Commissioner's Office except for consumer assistance requests.

Outcome: Commissioner's Office staff will respond the same or next business day to the requestor with either an answer or to gain additional information to assist with the request.

Strategy 1.7.1: The Division of Consumer Protection will contact all consumers referred by legislators or legislative staff within 48 hours.

Action Plan:

Task/Activity

1. Tracking legislative consumer referrals by logging in the day/time referral is received and then call back is made.

By When: Ongoing

Person/Team Responsible: Investigative Supervisors/ Division Director

Strategy 1.7.2: The Commissioner's Office and other appropriate divisions will review legislative proposals and/or legislation as requested by legislators and legislative staff in a timely manner.

Action Plan:

Task/Activity

1. Prompt, thorough response to legislators and legislative staff regarding legislation and legislative proposals.

By When: Ongoing

Person/Team Responsible: Commissioner's office is first-level response with assistance from subject matter experts at DOI as needed

Strategy 1.7.3: Within the timeframes requested by the legislator or legislative staff, DOI will engage their actuarial contractors to provide statutorily required information for health mandate statements attached to legislation.

Action Plan:

Task/Activity

1. Due to the quick turnaround requests by legislators or legislative staff, DOI and our actuarial contractors will respond within 3 business days as opposed to the 30 days allowed by statute.

By When: During legislative session either regular or specially called sessions

Person/Team Responsible: Receipt by Commissioner's Office, Health Branch Manager or HLIMC Director to forward to actuaries. For transmission to legislators or legislators, process reversed.

Goal 2: Prepare for future effective regulation of the insurance industry by mandating continuing education for all staff and analyzing ever-evolving trends that will require outside expertise.

Objective 2.1: Evaluate the training needs of each DOI employee.

Performance Indicators:

Output: Training needs to be determined by supervisor/staff interviews.

Outcome: Training materials will be developed or secured to address the training needs determined.

Strategy 2.1.1: Each supervisor will work with those employees under their supervision on determining what continuing education course subject matter would be beneficial to their job responsibilities.

Action Plan:

Task/Activity

1. Determine continuing education needs through one-on-one conversations between supervisors and staff.

By When: General conversations during the year, formal determination during the months of November, December each year

Person/Team Responsible: All DOI employees who have supervisory responsibilities

Objective 2.2: Utilize the resources of the education and training department of the NAIC for technical subject matter training.

Performance Indicators:

Output: Training needs to be determined by supervisor/staff interviews.

Outcome: Successful completion of each course taken by staff and evidenced by certification of completion issued by the NAIC.

Strategy 2.2.1: Each staff member will be required to take at least one (1) continuing education course through either the NAIC or other subject matter experts, determined by the employee's supervisor, which shall be part of their annual evaluation.

Action Plan:

Task/Activity

1. Determine course content of continuing education.

By When: Initial education course required for new hires other than administrative services staff. Continuing education requirement completed by year-end prior to annual evaluation.

Person/Team Responsible: All DOI employees; proof of completion by supervisory employees

Objective 2.3: Utilize the Personnel Cabinet’s training resources for non-technical training.

Performance Indicators:

Output: Training needs to be determined by supervisor/staff interviews.

Outcome: Successful completion of each course taken by staff and evidenced by certification of completion issued by the Personnel Cabinet.

Strategy 2.3.1: All staff members will complete in a timely manner, any training that is required by the Personnel or Public Protection Cabinet through the KHRIS training portal.

Action Plan:

Task/Activity

1. As determined by PPC or Personnel Cabinet, training is determined.

By When: Courses completed by deadline established by PPC or Personnel Cabinet.

Person/Team Responsible: All DOI employees; proof of completion by supervisory employees.

Objective 2.4: Monitor ongoing training for all financial examiners and analysts.

Performance Indicators:

Output: Assure that continuing education requirements are being met.

Outcome: All DOI financial examiners and analysts will meet continuing education requirement for designations and as required by the NAIC financial accreditation standards.

Strategy 2-4.1: Quarterly educational sessions will be led by the Chief Financial Analyst and the Chief Financial Examiner to coordinate work and provide updates on new developments required for national accreditation.

Action Plan:

Task/Activity

1. Determine course content and conduct quarterly educational sessions. **By When:** Each calendar quarter

Person/Team Responsible: Chief Financial Examiner and Chief Financial Analyst in collaboration with Division of Financial Standards Director/Assistant Director

Objective 2.5: Evaluate trending regulatory concerns (i.e., “big data” use in the insurance industry) and determine if DOI has the appropriate staffing and expertise to evaluate such data or if the assistance of outside consultants/contractors will be necessary.

Performance Indicators:

Output: Monitor through the NAIC working groups, task force and letter committees, the use of big data as well as filings made to DOI .

Outcome: Expand continuing education of current staff or contract with consultants to assist with the use of big data in filings.

Strategy 2.5.1: DOI will review the potential need to contract with outside consultants to fulfill our regulatory responsibilities.

Action Plan:

Task/Activity

1. Through coordination with the Commissioner/Deputy Commissioner, or the RFP process, secure outside contractors as needed to meet our mission of financial solvency review.

By When: Ongoing

Person/Team Responsible: Chief Financial Examiner, Chief Financial Analyst, Division of Financial Standards Director, Commissioner, Administrative Services Branch

Goal 3: Maintain a commitment to transparent, accountable, and effective government.

Objective 3.1: Provide information regarding DOI and its services to the public via its website.

Performance Indicators:

Output: Update web site with new developments, legislation, guidance, orders, opinions, and bulletins.

Outcome: Consumer Protection Division will update all consumer information and the Commissioner's Office will update will all other pertinent actions.

Strategy 3.1.1: Regularly monitor/maintain DOI website to continue its relevance/timeliness.

Action Plan:

Task/Activity

1. Make sure that the website is up to date for public use including our constituencies of industry, licensees, consumers, other branches of government and the public.

By When: Monthly review of website

Person/Team Responsible: Division of Consumer Protection, oversight by Division of Consumer Protection Director and secondary oversight by Commissioner's Office

Objective 3.2: Provide information regarding proposed and in-process administrative DOI regulation promulgation via its website.

Performance Indicators:

Output: Update website.

Outcome: All proposed administrative regulations will be posted at the time of submission to LRC Administrative Regulations Committee staff.

Strategy 3.2.1: As required by 2021 RS SB 2, all proposed regulations will be posted to DOI website.

Action Plan:

Task/Activity

1. Develop and make available an easily accessible proposed regulations section of DOI's website which is kept current.

By When: Initial development and availability by November 2021; ongoing for updates

Person/Team Responsible: Commissioner's Office in conjunction with PPC's IT Team

Objective 3.3: Enforce existing laws fairly and consistently, while also continuing to apply diligence in proposing new statutes and regulations that provide consumer protections and enhance the viability of the current insurance industry in Kentucky, while not hindering the attraction of new insurers to the Commonwealth.

Performance Indicators:

Output: Protect consumers while applying fair regulation.

Outcome: New consumer protection legislation will be proposed that will rectify unfair treatment of consumers as initiated by consumer complaints and market conduct examinations. Companies will be treated equally and fairly as we perform our regulatory actions.

Goal 4: Employ a diverse, educated workforce that can best deliver services and represent the population of the Commonwealth.

Objective 4.1: Coordinate with Kentucky State University (KSU) to start and continue an intern program with DOI that will be used to educate and possibly recruit underserved populations.

Strategy 4.1.1: Develop a collaborative relationship with KSU and Personnel Cabinet to develop and recruit interns.

Performance Indicators:

Output: Employ underserved student interns.

Outcome: Each year, DOI will hire at least one intern to serve with DOI staff/contractors and provide a meaningful learning environment.

Action Plan:

Task/Activity

1. Coordinate with KSU Internship Program Director and Personnel Cabinet the course content and terms and conditions of intern employment.

By When: Four months prior to start of school semester

Person/Team Responsible: Division of Financial Standards Assistant Director, Administrative Services

Objective 4.2: Adopt recommendations of the best practices survey conducted by all states through the office of the NAIC in the recruitment and retention of underserved populations.

Performance Indicators:

Output: Evaluate other states' best practices.

Outcome: Adopt/implement best practices where feasible in the year 2022 or within a year of the release of the best practices survey results.

Strategy 4.2.1: When compiled and distributed, determine which best practices of other states' DOIs are feasible to implement at KY DOI.

Action Plan:

Task/Activity

1. Determine which best practices can be adopted by Divisions if not DOI in its entirety.

By When: Second half of 2022

Person/Team Responsible: Deputy Commissioner, Division Directors and HR

Section VIII. Strategic Plan Progress Report on Goals & Objectives Operable in the Last Year

Goal 1 Objective 1.2, Strategy 1.2.1—Department of Insurance will eliminate an “in-person” ID requirement for doctors starting the credentialing process at new medical facilities, reducing the credentialing process to 28 days.

This Strategy has been accomplished through the issuance of an administrative regulation.

Goal 2, Objective 12.1, Strategy 2.1.1—Continue utilizing current information technology (IT) employees in the Department of Insurance to implement the multi-year plan to move all Cabinet licensing platforms online.

A reorganization moved the information technology division from the Department of Insurance to the Cabinet. As such, all licensing platforms are now online and managed by the Office of Information Technology within the Public Protection Cabinet.

Goal 3, Objective 3.5, Strategy 3.5.1—Performance measure: The Department of Insurance will work to ensure Kentucky continues to grow the captive market.

DOI has not received any new captive insurers' applications but will continue to maintain our position of license captive insurers, which are financially sound and meet all other statutory compliance and internal review.

Goal 4, Objective 4.1, Strategy 4.1.1 --Performance measure: The Department of Insurance will work with the Office of Communications to evaluate existing online functions and identify potential new features to integrate into DOI's online interface.

The DOI website has been redesigned to address cohesive aesthetic across PPC agencies as well as readability. The DOI has been in contact with IT to add a translating application to DOI's website. DOI has offered prominent display of all COVID-19 pandemic guidance to the public and regulated entities on its website.

Department of Financial Institutions

Section VI. Situation Analysis/Environmental Analysis

The Department of Financial Institutions' (DFI) mission is to serve Kentucky residents by promoting access to a stable financial industry, implementing effective and efficient regulatory oversight, enforcing consumer protections, encouraging economic opportunities, and promoting sound financial decisions through financial empowerment programs.

DFI charters, licenses, and regulates the financial services industry in Kentucky. The industry includes insured depository institutions, non-depository lenders, money transmitters and check cashiers. DFI also regulates all securities activities in the state and provides regulatory oversight of broker dealers, investment advisers, securities offerings, issuers, and registered securities professionals. The DFI Application and Administrative Support Branch provides administrative and information technology application support. DFI has three programmatic Divisions: The Depository Division, the Non-Depository Institutions Division, and the Securities Division, which are described below:

The Depository Division consists of a Bank Branch and a Credit Union Branch. The Bank Branch has three distinct district offices located in Louisville, Frankfort, and Bowling Green.

The Non-Depository Division has a Mortgage Examination Branch, a Non-Mortgage Examination Branch, a Licensing Branch, and a Consumer Protection Branch. The Licensing Branch is responsible for registering and licensing non-depository entities that provide financial services to Kentucky residents. The two Examination Branches (mortgage and non-mortgage) conduct periodic examinations of licensed entities. The Consumer Protection Branch investigates consumer complaints and provides enhanced public protections relating to non-depository lending activities.

The Securities Division includes a Compliance Branch, an Enforcement Branch, and a Licensing and Registration Branch.

Goal 1: To support the Governor's priority of wages.

Objective 1.1: Maximize efficiencies by the cross-training employees in DFI programmatic areas. The cross training will provide opportunities for examiners to become a Senior Certified Examiner.

Performance Indicators:

Output: Ensure at least 5% of examiners are cross trained annually.

Outcome: Have employees able to do multiple functions within the department.

Objective 1.2: Hire and train a knowledgeable, diverse, and effective workforce.

Performance Indicators:

Output: Create a positive work environment to help retain employees.

Outcome: Less turnover and more experienced staff.

Strategy 1.2.1: Encourage employees to participate in professional development programs and training opportunities.

Action Plan:

Task/Activity

1. Provide opportunities for 100% of employees to annually participate in professional development programs and training.

By When: Now

Person/Team Responsible: Team

Strategy 1.2.2: Expand and enhance the formal, required, and structured education and training programs.

Action Plan:

Task/Activity

1. Encourage all employees to enhance soft skills through training opportunities in KHRIS. During performance evaluations, document the certificate of trainings completed by employees during the rating period.

By When: January 2022

Person/Team Responsible: Team

Strategy 1.2.3: Encourage external training and educational opportunities for professional and technical staff.

Action Plan:

Task/Activity

1. Provide opportunities for 100% of employees to annually participate in external training and educational opportunities.

By When: Starting January 2022

Person/Team Responsible: Team

Objective 1.3: Retain quality employees.

Performance Indicators:

Output: Create a positive work environment to help retain employees.

Outcome: Less turnover and more experienced staff.

Strategy 1.3.1: Allow for telework, flexible starting times, core business hours and flexible ending times.

Action Plan:

Task/Activity

1. Allow more telework options to employees.

By When: Now

Person/Team Responsible: Commissioner/Direct Supervisor

Strategy 1.3.2: Provide opportunities for employees to cross training within the DFI for career development.

Action Plan:

Task/Activity

1. Ensure at least 5% of examiners are cross trained annually.

By When: Starting January 2022

Person/Team Responsible: Team

Strategy 1.3.3: Value employee knowledge by developing new employee mentoring programs.

Action Plan:

Task/Activity

1. Create a mentorship program for new hires

By When: Starting January 2022

Person/Team Responsible: Team

Strategy 1.3.4 Encourage employees to further their formal education through Employee Educational Assistance.

Action Plan:

Task/Activity

1. Work with Cabinet to reinstitute the educational assistance program and encourage employees to use it.

By When: Starting January 2022

Person/Team Responsible: Team

Objective 1.4: Through innovation and responsible regulation, facilitate interest by industries, companies, and individuals to invest and locate operations in Kentucky.

Performance Indicators:

Output: Create new legislation that champions innovation and investment in Kentucky.

Outcome: Foster investment in Kentucky.

Strategy 1.4.1: Use systems that allow licensees, registrants, and chartered companies to submit applications and renewals electronically.

Action Plan:

Task/Activity

1. Create options through NMLS and FIRST to facilitate electronic payments.

By When: Now

Person/Team Responsible: Team

Strategy 1.4.2: Offer payment options that include electronic payment, ACH, or forms other than paper checks.

Action Plan:

Task/Activity

1. Create options through NMLS and FIRST to facilitate electronic payments and encourage industry to use it

By When: Now

Person/Team Responsible: Team

Goal 2: To support the Governor's priority of education.

Objective 2.1: DFI will promote financial empowerment through outreach to consumers and regulated entities.

Performance Indicators:

Output: Partner with other organizations in Kentucky to implement more outreach and financial education.

Outcome: Have a more financially empowered Commonwealth.

Strategy 2.1.1: DFI will host town hall meetings, trainings and/or other events to provide financial literacy training and information to Kentucky residents.

Action Plan:

Task/Activity

1. Work with the PIO to create more in person and virtual events to champion financial literacy.

By When: Now

Person/Team Responsible: PIO

Strategy 2.1.2: DFI will host or partner with other state and federal agencies to provide information and training seminars to the public via Senior Scam Jam events, classroom presentations and/or other events.

Action Plan:

Task/Activity

1. Work with PIO to conduct outreach to other states and federal counterparts to facilitate more seminars to interested parties.

By When: Now

Person/Team Responsible: Team

Goal 3: To support the Governor’s priority of retirement.

Objective 3.1: All retirement accounts depend on a safe and sound financial services industry. DFI will ensure the safety, soundness, and compliance of the financial services industry in Kentucky.

Performance Indicators:

Output: Place a high priority of retirement savings when conducting examinations. Also, perform financial literacy outreach to encourage retirement investing and savings.

Outcome: More retirement savings and financial security.

Strategy 3.1.1: Conducted periodic examinations of regulated entities and assign ratings that indicate the level of risk associated with the institution.

Action Plan:

Task/Activity

1. Submit an examination report or letter of examination to the regulated entity regarding the examination findings.

By When: Now

Person/Team Responsible: Team

2. Monitor risks through quarterly watch list reports and off-site risk monitoring analysis.

By When: Now

Person/Team Responsible: Team

Goal 4: To support the Governor’s priority of example.

Objective 4.1: Encourage all DFI managers and staff to participate in national regulatory associations.

Performance Indicators:

Output: Strongly encourage staff to take a more active role in nationwide regulatory associations.

Outcome: More nationwide representation.

Strategy 4.1.1: All DFI senior managers will serve on regulatory association boards or working committees.

Action Plan:

Task/Activity

1. Require managers to serve on nationwide regulatory boards or working committees.

By When: Now

Person/Team Responsible: Commissioner

Strategy 4.1.2: Encourage all DFI managers to serve on one working group of a national financial services industry regulatory association.

Action Plan:

Task/Activity

1. Require managers to serve on nationwide regulatory boards or working committees.

By When: Now

Person/Team Responsible: Commissioner

Department of Housing, Buildings, and Construction

Section VI. Situation Analysis/Environmental Analysis

The Department of Housing, Buildings and Construction (DHBC) consists of six divisions: Commissioner's Office; Fire Prevention/State Fire Marshal's Office; Building Codes Enforcement; Plumbing; Heating, Ventilation, and Air Conditioning; and Electrical.

The Commissioner's Office provides executive management, oversight, strategic planning, and policy guidance for DHBC. This office also provides essential support services including information technology, procurement, inventory, fleet management, accounts receivable/accounts payable, personnel administration, budget oversight, legal support, and general administration.

The DHBC Licensing Branch was established on August 15, 2018, to protect the public through the regulation of the construction industry by ensuring qualified trade workers. To obtain a license, an applicant must pass an examination administered by an approved testing center, provide proof of work experience, an application and its fee, and proof of general liability and workers' compensation insurance (if required). All licenses and certifications are renewable annually during the licensee's birth month. Upon renewal, a licensee must submit to the DHBC Licensing Branch proof of completion of six hours of continued education from an approved continuing education provider, a renewal application, a renewal fee, and proof of general liability and workers' compensation insurance (if required). All license and certifications were migrated to the DHBC Licensing Branch, effective July 1, 2019, with final implementation of the comprehensive strategic initiative. This move consolidated the licensing function into a centralized "one-stop-shop", facilitating the renewal process for multiple license holders and freeing the divisions and sections within DHBC from this administrative task. Licensing revenues are deposited in the respective divisions/sections within DHBC, and the Licensing Branch is supported with support transfers from the divisions/sections to cover the associated administrative costs. Quantitative data is reported in the Commissioner's Office and the respective division/section.

The DHBC Master Inspector Program is designed to consolidate and coordinate all aspects of the inspection function. To meet the qualifications for Master Inspector I, a qualified candidate must meet stringent requirements for at least two major program areas. The Master Inspector positions are geographically distributed throughout the Commonwealth. This allows a single inspector to inspect a building in his area and allows the public to work with a single inspector, even for multiple inspection types. This concept represents a significant cost savings because the designated Master Inspector I only makes one trip to the site for these multiple inspections. The Master Inspector Program began full operation effective July 1, 2019.

Section VII. Measurable Goals, Objectives & Key Performance Indicators

Goal 1: Achieve and maintain stable staffing levels to meet existing and future workload.

Objective 1.1: Restore Fire Prevention Public Safety Programs protecting the public in all places of assembly and vulnerable populations in health care, education, and childcare facilities.

Description/Strategy: Currently, the General Inspection Section is responsible for inspecting roughly 50,000 facilities, many of which require annual inspection; these inspection types include inspections of licensed facilities, inspections of state-owned and state-leased properties, and general inspections. Inspections are wide-ranging and include places where people are assembled such as health care

facilities (hospital, nursing home, and ambulatory care facilities), churches, movie theatres, daycare facilities, educational facilities (schools, colleges, universities), apartments/dormitories, hotels/motels, mercantile establishments, office buildings, commercial and industrial facilities, residential communities (assisted living centers, children and youth living facilities, and group homes), etc. New buildings are added into the inspection schedule each year at a rate between five percent and 13 percent, primarily based on new construction. An increase of General Fund will reflect positively in the number of inspections performed and the timely delivery of services to the citizens and local governments across the Commonwealth.

Performance Indicators:

- Output: Increased number of periodic inspections occurring from 1280 monthly to 2,453 and decreased number of periodic inspections outstanding by 40-50%.
- Outcome: Increased public safety.

Action Plan:

Task/Activity

1. Obtain funding for additional positions within the Division of Fire Prevention.

By When: End of 2022 regular session

Person/Team Responsible: DHBC, PPC executive management and budget staff

2. Identify geographic areas where field staff will be most efficiently utilized.

By When: May 2022

Person/Team Responsible: Division of Fire Prevention Management, DHBC Executive Management and HR

3. Develop training plan for additional positions.

By When: June 2022

Person/Team Responsible: Division of Fire Prevention Management, DHBC and PPC HR

4. Implement training plan.

By When: Onboarding September 2022; on the job training completed September 2023

Person/Team Responsible: Division of Fire Prevention Management, DHBC and PPC HR

Objective 1.2: Expedite Building Code Enforcement (BCE) Plan Review and Inspection for Economic Development.

Performance Indicators:

- Output: Overall reduced plan review turnaround time from four weeks to two weeks.
- Outcome: Increased potential for economic development.

Action Plan:

Task/Activity

1. Amend job class specifications for most BCE series job classification specifications. **By**
When: Submit documentation to PPC & Personnel by January 2022
Person/Team Responsible: DHBC Executive Management & HR, BCE Management, PPC HR
2. Hire additional staff.
By When: Submit documentation to PPC & Personnel by January 2022
Person/Team Responsible: DHBC Executive Management & HR, BCE Management, PPC HR

Objective 1.3: Create job opportunities and career paths for diverse workforce.

Description/Strategy: DHBC endeavors to attract, hire, train, and retain a knowledgeable, diverse, effective, and productive workforce. In a concerted effort to accomplish this initiative, DHBC is focusing on offering job opportunities with developed career paths. DHBC inspector jobs require the employee to hold the required trade license or certification. Licensure/Certification in the trades requires a significant amount of documented work experience, so the candidate pool is often limited. Additionally, the state pay scale is significantly less than the private sector. DHBC has cross-trained inspectors to provide employees with enhanced skill sets leading to new opportunities for professional growth and upward mobility within the Department.

Performance Indicators:

- Output: Increased annual inspections; allow inspectors from other divisions who were assisting with inspections to perform their regularly assigned inspection duties.
- Outcome: Reduced backlog of annual inspections by 30%.

Goal 2: Promote efficiency and productivity through new and innovative ways to deliver critical services while increasing cost savings.

Objective 2.1: Enterprise system—licensing platform.

Description/Strategy: The DHBC Licensing Branch was established to protect the public through the regulation of the construction industry by ensuring trade workers are properly licensed. This move consolidated the licensing function in one centralized “one stop shop” location, facilitating the renewal process for all licensees, especially for multiple license holders. It also freed the divisions and sections within DHBC from this duplicative administrative task. Improved licensing functionality is in process with the development of an internal licensing application to reduce required inputs. DHBC will encourage online submission and, when possible, will further encourage online renewal by the license holder.

Performance Indicators:

- Output: Decreased time to process new license applications and renewals.
- Outcome: Increased online license renewal utilization by up to 50%; improved performance of licensing system for licensees and DHBC staff.

Action Plan:

Task/Activity

1. Process mapping and business analysis.
By When: January 2022
Person/Team Responsible: DHBC licensing staff, PPC IT team
2. Development of software to fulfill the needs of DHBC and licensees more effectively. **By When:** July 2022
Person/Team Responsible: PPC IT team
3. Testing of software.
By When: July 2022
Person/Team Responsible: DHBC licensing staff, PPC IT team
4. Data migration.
By When: August 2022
Person/Team Responsible: PPC IT team
5. Data validation.
By When: August 2022
Person/Team Responsible: DHBC licensing staff, PPC IT team
6. Training staff, public for utilization of new software.
By When: September 2022
Person/Team Responsible: DHBC licensing staff, PPC IT team
7. Implementation.
By When: October 2022
Person/Team Responsible: DHBC licensing staff, PPC IT team

Objective 2.2: Virtual Inspections.

Description/Strategy: DHBC currently utilizes limited electronic inspections in the Division of Plumbing for modular units. This introduction has proven quite effective from cost and time savings perspectives. Inspections can generally be scheduled within the same day, and travel time and expense are eliminated. All applicable KAR's have been passed, and the Division is currently in the formalized training phase so that this capability can be expanded to include more inspection types.

Performance Indicators:

- Output: Increased number of inspections completed by 30%.
- Outcome: Decreased amount of travel and related costs estimated to be 20%.

Action Plan:

Task/Activity

1. Thoroughly review viability of virtual inspections. **By When:** January 2022

Person/Team Responsible: DHBC Executive Management, Division of Plumbing staff, PPC IT team

2. Re-evaluate success of program.

By When: June 2022

Person/Team Responsible: DHBC Executive Management, Division of Plumbing staff, PPC IT team

3. Modify virtual inspection process if necessary. **By When:** July 2022

Person/Team Responsible: DHBC Executive Management, Division of Plumbing staff, PPC IT team